

Hospitals

General

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Hospitals that qualify as public hospitals under the Public Hospitals Act in Ontario and the Ontario Cancer Treatment & Research Foundation are entitled to certain retail sales tax exemptions.

HOSPITALS ARE ENTITLED TO PURCHASE TAX EXEMPT:

- drugs and medicines including:
 - any substance or article for diagnosis, treatment, lessening or prevention of disease
 - any substance or article used to restore, correct or modify body functions
- X-ray equipment including track
- X-ray film
- patient-care equipment, furniture and supplies used in a **patient's room**, or a place where patients **receive medical or surgical treatment**; also repairs to such items
- research and laboratory equipment and supplies
- cleaning supplies such as soaps, detergents, floor wax and paper towels, disinfectants, etc.
- uniforms supplied at no charge to nurses, laboratory staff and others providing patient care

HOSPITALS ARE REQUIRED TO PAY TAX FOR:

- office and administrative equipment and supplies
- kitchen and dietary supplies
- housekeeping equipment such as brooms, floor polishers, laundry carts, vacuum cleaners
- plant maintenance equipment such as electrical tools, ladders, small tools, lathes, saws
- general equipment such as motor vehicles, lawn mowers, uniforms for maintenance staff
- furniture such as coat racks and lounge furniture **not used** in a patient or treatment room
- recreational equipment such as motion picture equipment, games, television sets and radios
- any other equipment, supplies or materials not used directly in the medical or surgical treatment of patients

HOSPITAL EQUIPMENT CONTRACTORS

Tax exempt

A contractor may issue purchase exemption certificates to his suppliers to purchase certain hospital equipment tax exempt which, when installed, become fixtures by being attached to real property such as:

- oxygen masks and similar equipment attached to wall outlets
- communication equipment used by patients to call for assistance
- track which is part of exempt equipment such as x-ray equipment
- special lighting in operating rooms

In addition, furniture which is normally free standing in patients' rooms but which for reasons of safety is secured to walls, floor or ceiling remains exempt.

Taxable items

Building materials are taxable when purchased by a contractor to construct or repair a hospital

All gas lines including oxygen lines which are built in and become part of the building

All wiring including electrical wiring and communication wiring that is built in and becomes part of the building

Curtain and drapery track securely attached to walls or ceilings

MEALS

Tax exempt

- prepared meals provided without specific charge by the hospital
- prepared food products sold in a cafeteria for a total charge of \$4.00 or less

Taxable

- prepared food products sold in a cafeteria for a total charge of more than \$4.00
- meals sold to patients for a total charge of more than \$4.00

The information in this publication is only a guideline. For more specific information, please consult the Retail Sales Tax Act or contact your local Retail Sales Tax Office listed in the blue pages of your telephone directory.

Pour obtenir cette publication en français, veuillez communiquer avec votre bureau régional de la Taxe de vente au détail.